



U.S. Small Business Administration

# 504 Loan Program

*Fixed Asset Financing for Small Businesses*

## 504 loans can be used to:

- Purchase land and construct new buildings
- Acquire and install machinery
- Purchase and renovate existing buildings
- Expand existing facilities

## They work best on:

- General projects up to \$12.5 million
- Manufacturing projects up to \$13.75 million

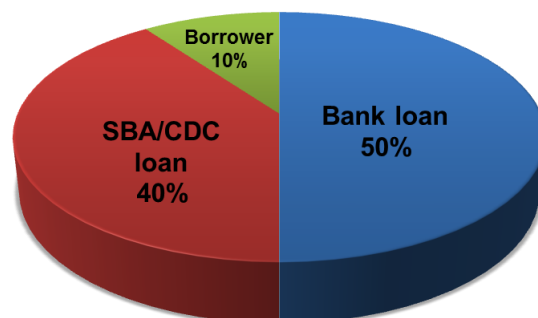
## Advantages:

- Low down payment - as little as 10 percent
- Long term repayment - 10 or 20 years
- Low, fixed interest rate

## 504 loan structure

Example: \$3,750,000 project

	Amount	Security
Bank loan	\$1.875 million	1st Lien
SBA/CDC loan	\$1.5 million	2nd Lien
Borrower	\$375,000	
Total	\$3.75 million	



## Contact a CDC to learn more about securing a 504 loan

Illinois has seven SBA-licensed Certified Development Companies that work closely with borrowers and banks to package, process, and service 504 loans. The loans are funded by the sale of SBA-guaranteed debentures on Wall Street. These government-guaranteed bonds enable 504 borrowers to obtain low, fixed interest rates on 10- or 20-year loans. Call one of the CDCs below to find out if a 504 loan is right for you.

CenterPoint 504, NFP	Mokena, IL	Hillary Burkinshaw	(708) 704-4461
Illinois Bus. Financial Services	Peoria, IL	Charles Randle	(309) 674-5800
Illinois Bus. Financial Services	Chicago, IL	Gary Whelpley	(312) 288-8605
Rockford Local Development Corp.	Rockford, IL	John Phelps	(815) 987-8675
Regional Development Company	Valparaiso, IN	Erica Dombey	(219) 476-0504
Small Business Growth Corp.	Springfield, IL	Douglas L. Kinley	(800) 577-2772
Small Business Growth Corp.	Chicago, IL	Joel Herscher	(773) 880-1455
Small Business Growth Corp.	Orland Park, IL	Brian Comiskey	(847) 648-6300
SomerCor 504, Inc.	Chicago, IL	Eric Spokas	(312) 360-3317
SomerCor 504, Inc.	Springfield, IL	Darin R. Gehrke	(217) 793-1075
Wessex 504 Corp.	Chicago, IL	Karen Lennon	(312) 527-4927